GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

MINES & MINERALS – Mining Lease for Limestone over an extent of 49.650 Hectares (122.67 Acs) in Sy.Nos.508 & 512/P of Korumanipalli (V), Kolimigundla (M), Kurnool Dist held by M/s.Penna Limestone Quarries Ltd., declared as lapsed under Rule 20 (1) & (2) Minerals (other than Atomic & Hydro Carbon Energy Minerals) Concession Rules, 2016 – Mining Lease revived - Orders – Issued.

INDUSTRIES & COMMERCE (M.III) DEPARTMENT

G.O.MS.No. 76 Dated: 18-05-2017

Read the following:

1. From the Director of Mines & Geology, Government of A.P., Hyderabad File No.36299/R4-2/2012, dt.24.11.2012.
2. Govt Memo No.17272/M.I(1)/2012, dt.05.2.2013.
3. From M/s.Penna Limestone Quarries Ltd., Reply Lr.No.PLQL-HO:KLM:2013-14, dt.11.06.2013.
4. From the Director of Mines & Geology, Government of A.P., Vijayawada File No.36299/R4-2/2012, dt.31.03.2017 & 10.05.2017.
5. G.O.Ms.No.75, Ind & Com (M.III) Dept, dt.18.05.2017.

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O R D E R:

In the reference 1st read above, the Director of Mines & Geology, A.P., Vijayawada has submitted proposal to declare the Mining Lease for Limestone over an extent of 49.650 Hectares (122.67 Acs) in Sy.Nos.508 & 512/P of Korumanipalli (V), Kolimigundla (M), Kurnool Dist held by M/s.Penna Limestone Quarries Ltd., as lapsed on the grounds that the lessee (i) that the lessee has not commenced mining operations since the execution of the lease deed; (ii) The lessee has not provided weighing Machine at the leased area; (iii) As per Mineral Revenue assessment the Co., is due of Rs.1334/-; and (iv) The lessee Co., has not erected boundary pillars around the leased area.

2. Simultaneously the Director of Mines & Geology has requested the Government to revive the said M.L. stating that Govt vide reference 2nd read above, issued SCN to the lessee on the above lapses and the lessee vide their Lr.dt.11.06.2013 has submitted his reply. Further he has stated that as reported by the ADM&G, Banaganapalli, Kurnool District the lessee has rectified the breaches and has cleared all the mineral dues up to 2013-14.

3. The Director of Mines & Geology has further stated that the Sub-rule 7 of Rule 20 Minerals (other than Atomic & Hydro Carbon Energy Minerals) Concession Rules, 2016 specifies (3) reasons to consider the revival of lapsed M.L., i.e. (a) the reasons on account of which the lessee failed to undertake mining operations or continue such operations; (b) the manner in which such reasons are beyond the control of the lessee; and (c) the steps that have been taken by the lessee to mitigate the impact of such reasons. The following are the details of each reason in respect of the lessee firm:

(a) The breaches that were pointed in Govt Memo dt.05.02.2013 wherein the SCN issued to the lessee, the said breaches were rectified by the lessee except the non-working of the mine. The lessee in their Lr.dt.09.07.2013 has submitted the hurdles encountered by them in clearing the bushes and forming the approach road as the terrain is a hillock & valley due to which the progress was slow & times consuming. For the approach road the alienation process has taken lot of time since the road is passing through Govt lands.

(b) The lessee vide his Lr.dt.27.12.2016 has informed that for the approach road work the L.A. process has taken a lot of time which is beyond his control.

(c) The lessee further informed that since they obtained the modified approved Mining plan from the IBM and having EC & CFE accordingly they have taken necessary steps to operate the M.L. and have paid Rs.1.00 Lakh towards the fee under Rule 20 (9) of M.C. Rules, 2016.

4. The Director of Mines & Geology has further stated that Govt shall have the right to impose performance security deposit under Rule 20 (10) of Mineral Concession Rules, 2016 on the lessee before the revival of the M.L., which could be in the form of Bank Guarantee or a security deposit equivalent to 0.50% of the value of estimated reserves

(P.T.O.)

and shall be adjusted every (5) years so that it continues to correspond to 0.50% of the reassessed value under Rule 7 (10) (b) of Mineral Concession Rules, 2016. The estimated reserves available in the mine are 20.209 MTs as per the modified Mining Plan approved by the IBM on 04.11.2015. Accordingly the performance Security amount comes to Rs.4,34,49,350/- (20.209 MTs x Rs.430/- = Rs.8,68,98,700/- x 0.50%).

5. The Director of Mines & Geology has therefore requested the Government to revive the M.L. under Rule 20 (7) to (10) of the said Rules duly imposing the performance security deposit for an amount of Rs.4,34,49,350/- payable by the lessee.

6. In the reference 5th read above, orders are issued declaring the Mining Lease for Limestone over an extent of 49.650 Hectares (122.67 Acs) in Sy.Nos.508 & 512/P of Korumanipalli (V), Kolimigundla (M), Kurnool District held by M/s.Penna Limestone Quarries Ltd., as lapsed under Rule 20 (1) & (2) Minerals (other than Atomic & Hydro Carbon Energy Minerals) Concession Rules, 2016 as recommended by the Director of Mines & Geology, A.P., Vijayawada.

7. Government, after careful examination of the entire issue hereby decided to revive the M.L. for Limestone over an extent of 49.650 Hectares (122.67 Acs) in Sy.Nos.508 & 512/P of Korumanipalli (V), Kolimigundla (M), Kurnool Dist held by M/s.Penna Limestone Quarries Ltd., which is declared as lapsed in the reference 5th read above, under Rule 20 (7) to (10) of Minerals (other than Atomic & Hydro Carbon Energy Minerals) Concession Rules, 2016 and hereby impose the performance security deposit for an amount of Rs.4,34,49,350/- payable by the lessee.

8. The Director of Mines & Geology, A.P., Vijayawada shall take necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B.SREEDHAR
SECRETARY TO GOVERNMENT (MINES)

To
M/s.Penna Limestone Quarries Ltd., Plot # 703, Sriniketan Colony,
Road # 3, Banjara Hills, Hyderabad – 500 034. (By RPAD).
The Director of Mines & Geology, A.P., Vijayawada. (w.e. file)
Copy to:
The Deputy Director of Mines & Geology, Kadapa.
The Assistant Director of Mines & Geology, Banaganapalli, Kurnool District.
The District Collector, Kurnool District.
The Secretary to Government of India, Ministry of Mines, Sastry Bhavan, New Delhi-110001.
The Controller General, Indian Bureau of Mines, Indira Bhavan, Civil Lines, Nagpur - 440001.
The Director General, Mines Safety, Dhanbad, Jarkhand.
The Regional Controller of Mines, Indian Bureau of Mines, Room No.603, 6th Floor, CGO Towers, Kavadiguda, Secunderabad – 500 080.
SF/SCs.

//FORWARDED: : BY ORDER//

SECTION OFFICER